



INSURANCE REGULATORY AUTHORITY

Insurance Industry Quarterly Claims Statistics for the Period

January – March 2020

Prepared by

Insurance Regulatory Authority

April 2020



About Insurance Regulatory Authority

The Insurance Regulatory Authority (IRA) is a State Corporation whose mandate is to regulate, supervise and promote the development of the insurance industry in Kenya. The key players regulated by IRA are insurance companies, re-insurance companies, insurance brokers, insurance agents, motor assessors, insurance investigators, insurance surveyors, loss adjustors, claim settling agents and risk managers.

All incorporated entities regulated under the Insurance Act are required to submit various periodic returns to the IRA. All direct insurers are required to submit their monthly summary of claims returns within fifteen (15) days after the end of the month to which the returns relate.

Reliance and limitations

The information contained in this report has been obtained from the monthly summary of claims returns submitted to the Insurance Regulatory Authority, pursuant to the provisions of the Insurance Act, Cap 487. No adjustments have been made to the the returns data except where adjustments have been made in consultation with the affected insurers.

The publication of any summary of an insurer's return in a report does not necessarily mean that the returns so summarized have satisfied all the requirements of the Insurance Act, Cap 487, or that the Authority approves the accuracy of the contents of the returns.

Where necessary, figures have been adjusted to eliminate errors in totals due to rounding off.

1.0 Introduction

Both long term and general insurance business underwriters are required to submit monthly summary of claims returns to IRA through the electronic regulatory system (ERS).

These returns are submitted within 15 days from the end of the month to which they relate. At the time of preparation of this report, all the insurers had submitted their monthly summary of claims returns for the first quarter of 2020 except Takaful Insurance of Africa Limited – General that had not submitted the monthly claims return for the month of January 2020.

The quarterly claims statistics summarizes quarterly claims data into number of claims outstanding at the beginning of the quarter, action taken during the quarter and the number of claims outstanding at the end of the quarter. Further, under general insurance business, a distinction is made between liability¹ and non-liability claims.

1.1 Quarterly Claims Movements

The quarterly claims movements indicate the actions taken during the quarter which comprises of the following:

1. **Claims intimated** – this comprises of the number of claims that have been reported to the insurers during the quarter;
2. **Revived claims** – these are claims previously closed but have been revived by the policyholders/claimant during the quarter;
3. **Claims paid** - these are the claims paid by the insurers during the quarter. The claims paid may include those outstanding at the beginning of the period; those intimated and revived during the quarter;
4. **Claims rejected**– these are claims that the insurer has rejected to pay during the quarter for various reasons per policy document or otherwise.

¹ Liability Claims are third parties' claims while non liability claims are policyholders' claims.

5. **Claims closed as no claims** – these are notified claims for which the insurer makes provisions for liability but the liability does not cristalize during the quarter.
6. **Total number of claims actionable/payable** – It is the summation of the number of claims paid, claims rejected, claims closed as no claims and claims outstanding at the end of the quarter.

The **number claims outstanding at the end of the quarter** result from the above movements and are computed as:

- claims outstanding at the beginning of the quarter
- add claims intimated and revived during the quarter
- less claims paid during the quarter
- less claims rejected and claims closed as no claims during the quarter.

1.2 Claims Movement Ratios

These are ratios of the actions taken during the month in relation to total claims actionable /payable. They include claims rejection ratio, claims closed as no claims ratio and claim payment ratio.

1.2.1 Claims Rejection Ratio

This is the proportion of the number of claims rejected in relation to the total number of claims actionable during the quarter.

In Q1 2020, the proportion of rejected general liability claims increased to 0.07% compared to 0.05% recorded in Q4 2019. The proportion of rejected general non-liability claims also increased to 0.8% in Q1 2020 from 0.6% reported in Q4 2019.

In addition, the proportion of rejected long term business claims in Q1 2020 increased to 1.12% from 0.16% recorded in Q4 2019.

1.2.2 Claims Closed as no Claims Ratio

This is the proportion of claims closed as no claims in relation to the total number of claims actionable during the quarter.

In Q1 2020, the proportion of general business liability claims closed as no claims decreased significantly to 2.4% compared to 3.9% observed in Q4 2019. The proportion of general business non-liability claims closed as no claims declined to 0.6% from 0.8% reported in Q4 2019.

There was a slight decline in the proportion of long-term insurance business claims closed as no claims to 0.1% from 0.2% recorded in Q4 2019.

1.2.3 Claims Payment Ratio

This is the proportion of the number of claims paid in relation to the total number of claims actionable during the quarter.

In Q1 2020, the claims payment ratio for general liability claims declined to 10.9% compared to 11.5% observed in Q4 2019. Over the same period, the claims payment ratio for general non-liability claims remained relatively stable at 69.8% from 69.9% observed in the previous quarter.

The claims payment ratio for the long-term insurance business decreased to 71.7% compared to 74.4% observed in the previous quarter.

1.3 Appendices

Appendices 1, 2 and 3 show the companies' claims data for quarter one of 2020 categorized into general insurance business liability, general insurance business non-liability and long-term insurance business respectively:

Claims Payment Statistics for Q4 2019

Appendix 1: Analysis of liability claims (numbers) under general insurance business for the quarter ended 31st March 2020												
No	Name of Insurer	Claims outstanding at the beginning of the quarter	Claims intimated during the quarter	Claims revived during the quarter	Claims paid during the quarter	Claims rejected during the quarter	Claims closed as no claims during the quarter	Claims outstanding at the end of the quarter	Claims rejection ratio % (5/(4+5+6+7))	Claims closed as no claims ratio % (6/(4+5+6+7))	Claim payment ratio %	
											Q1 2020 (4/(4+5+6+7))	Q4 2019
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
1	AAR INSURANCE KENYA LIMITED	10	1	-	3	-	-	8	-	-	27.3	-
2	AFRICAN MERCHANT ASSURANCE	1,470	121	144	163	-	-	1,428	-	-	10.2	16.8
3	AIG INSURANCE COMPANY LIMITED	1,083	93	35	15	-	-	1,161	-	-	1.3	4.2
4	ALLIANZ INSURANCE COMPANY	186	29	14	12	-	1	202	-	0.5	5.6	7.4
5	APA INSURANCE COMPANY LIMITED	6,396	375	823	1,061	-	-	5,710	-	-	15.7	12.0
6	BRITAM GENERAL INSURANCE	3,358	608	-	515	-	-	3,451	-	-	13.0	18.0
7	CIC GENERAL INSURANCE COMPANY	5,839	2,801	1,108	4,367	-	-	4,273	-	-	50.5	32.6
8	CORPORATE INSURANCE COMPANY	980	276	-	100	-	3	1,153	-	0.2	8.0	16.2
9	DIRECTLINE ASSURANCE COMPANY	14,319	1,520	-	1,242	-	-	14,597	-	-	7.8	9.1
10	FIDELITY SHIELD INSURANCE	1,955	176	208	213	1	8	1,909	0.0	0.4	10.0	8.3
11	FIRST ASSURANCE COMPANY	1,826	1,835	-	142	-	1,624	1,895	-	44.4	3.9	5.3
12	GA INSURANCE LIMITED	7,657	588	94	390	-	-	7,855	-	-	4.7	5.9
13	GEMINIA INSURANCE COMPANY	8,402	1,602	1,105	757	-	1	9,246	-	0.0	7.6	11.3
14	HERITAGE INSURANCE COMPANY	5,369	574	1,848	390	42	406	5,105	0.7	6.8	6.6	5.0
15	ICEA LION GENERAL INSURANCE	149	228	264	227	1	34	115	0.3	9.0	60.2	26.2
16	INTRA-AFRICA ASSURANCE COMPANY	1,049	184	249	133	-	-	1,100	-	-	10.8	11.2
17	INVESCO ASSURANCE COMPANY	4,407	259	379	274	-	-	4,392	-	-	5.9	9.7
18	JUBILEE GENERAL INSURANCE	2,336	810	99	268	-	29	2,849	-	0.9	8.5	7.7
19	JUBILEE HEALTH INSURANCE	-	-	-	-	-	-	-	-	-	0.0	N/A
20	KENINDIA ASSURANCE COMPANY	7,531	659	-	251	-	31	7,908	-	0.4	3.1	8.9
21	KENYA ORIENT INSURANCE COMPANY	1,589	147	162	35	-	5	1,696	-	0.3	2.0	7.4
22	MADISON INSURANCE COMPANY	354	333	-	334	29	-	324	4.2	-	48.6	51.1
23	MAYFAIR INSURANCE COMPANY	2,366	761	-	495	-	-	2,632	-	-	15.8	26.9
24	METROPOLITAN CANNON GENERAL	4,880	193	6	78	3	358	4,634	0.1	7.1	1.5	3.1
25	MUA INSURANCE COMPANY	585	149	-	47	-	39	648	-	5.3	6.4	10.5
26	OCCIDENTAL INSURANCE COMPANY	1,776	291	10	136	-	17	1,914	-	0.8	6.6	6.4
27	PACIS INSURANCE COMPANY	2,066	77	440	44	2	41	2,056	0.1	1.9	2.1	1.9
28	PIONEER GENERAL INSURANCE	110	39	29	4	-	-	148	-	-	2.6	6.7
29	RESOLUTION INSURANCE COMPANY	238	152	89	18	-	-	372	-	-	4.6	4.8
30	SAHAM INSURANCE COMPANY	571	12	-	27	-	-	556	-	-	4.6	7.4
31	SANLAM GENERAL INSURANCE	383	141	318	111	-	56	357	-	10.7	21.2	30.4
32	TAKAFUL INSURANCE OF AFRICA	-	18	-	4	-	-	385	-	-	1.0	N/A
33	TAUSI ASSURANCE COMPANY	1,480	91	48	42	-	82	1,447	-	5.2	2.7	2.7
34	THE KENYAN ALLIANCE INSURANCE	161	453	485	452	-	-	162	-	-	73.6	61.3
35	THE MONARCH INSURANCE COMPANY	180	28	-	4	-	25	179	-	12.0	1.9	2.6
36	TRIDENT INSURANCE COMPANY	2,451	324	44	61	-	-	2,714	-	-	2.2	0.4
37	UAP INSURANCE COMPANY LIMITED	2,630	190	1,429	94	5	-	2,721	0.2	-	3.3	6.9
38	XPLICO INSURANCE COMPANY	3,201	684	-	141	-	-	3,744	-	-	3.6	10.5
	Industry	99,343	16,822	9,430	12,650	83	2,760	101,046	0.07	2.4	10.9	11.5

Appendix 2: Analysis of non - liability claims (numbers) under general insurance business for the quarter ended 31st March 2020													
No	Name of Insurer	Claims outstanding at the beginning of the quarter	Claims intimated during the quarter	Claims revived during the quarter	Claims paid during the quarter	Claims rejected during the quarter	Claims closed as no claims during the quarter	Claims outstanding at the end of the quarter	Claims rejection ratio (%) (5/(4+5+6+7))	Claims closed as no claims ratio (%) (6/(4+5+6+7))	Claim payment ratio (%)		
											Q1 2020 (4/(4+5+6+7))	Q4 2019	
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	
1	AAR INSURANCE KENYA LIMITED	20,591	76,089	-	71,639	190	1,997	22,854	0.2	2.1	74.1	75.7	
2	AFRICAN MERCHANT ASSURANCE	2,073	379	102	144	1	-	2,307	0.0	-	5.9	11.8	
3	AIG INSURANCE COMPANY LIMITED	1,813	1,121	398	653	-	15	2,266	-	0.5	22.3	26.3	
4	ALLIANZ INSURANCE COMPANY	959	1,014	75	1,413	-	4	556	-	0.2	71.6	73.5	
5	APA INSURANCE COMPANY LIMITED	4,275	2,678	5,159	3,450	-	-	3,503	-	-	49.6	33.5	
6	BRITAM GENERAL INSURANCE	39,986	80,740	-	74,881	-	-	45,845	-	-	62.0	54.5	
7	CIC GENERAL INSURANCE COMPANY	10,378	9,711	1,668	12,356	-	-	7,733	-	-	61.5	42.5	
8	CORPORATE INSURANCE COMPANY	631	474	-	418	-	5	682	-	0.5	37.8	30.9	
9	DIRECTLINE ASSURANCE COMPANY	140	107	-	40	-	-	207	-	-	16.2	34.6	
10	FIDELITY SHIELD INSURANCE	2,412	1,461	1,193	1,463	9	53	2,348	0.2	1.4	37.8	34.9	
11	FIRST ASSURANCE COMPANY	43,911	46,757	-	42,014	-	8,821	39,833	-	9.7	46.3	38.2	
12	GA INSURANCE LIMITED	4,896	3,476	166	3,050	178	-	5,144	2.1	-	36.4	43.3	
13	GEMINIA INSURANCE COMPANY	3,770	2,707	2,553	1,321	-	22	5,134	1,321	-	0.3	20.4	40.0
14	HERTTAGE INSURANCE COMPANY	11,466	33,998	7,152	32,680	14	918	11,852	0.0	2.0	71.9	69.4	
15	ICEA LION GENERAL INSURANCE	2,765	2,197	2,843	2,630	12	40	2,280	0.2	0.8	53.0	40.6	
16	INTRA-AFRICA ASSURANCE COMPANY	851	438	252	421	-	7	861	-	0.5	32.7	24.8	
17	INVESCO ASSURANCE COMPANY	1,022	39	111	51	-	-	1,010	-	-	4.8	5.4	
18	JUBILEE GENERAL INSURANCE	6,681	1,992	1,829	1,434	-	52	7,187	-	0.6	16.5	81.4	
19	JUBILEE HEALTH INSURANCE	221,681	1,002,704	-	974,974	-	-	249,411	-	-	79.6	N/A	
20	KENINDIA ASSURANCE COMPANY	6,119	3,937	-	1,704	93	182	8,077	0.9	1.8	16.9	31.6	
21	KENYA ORIENT INSURANCE COMPANY	7,730	682	1,111	246	30	131	8,005	0.4	1.6	2.9	3.1	
22	MADISON INSURANCE COMPANY	37,230	102,589	172	102,508	4,584	-	32,727	3.3	-	73.3	53.4	
23	MAYFAIR INSURANCE COMPANY	384	266	-	264	-	-	386	-	-	40.6	45.1	
24	METROPOLITAN CANNON GENERAL	1,225	586	199	224	1	127	1,459	0.1	7.0	12.4	15.4	
25	MUA INSURANCE COMPANY	752	290	-	367	-	5	670	-	0.5	35.2	30.7	
26	OCCIDENTAL INSURANCE COMPANY	1,609	1,251	6	1,058	-	37	1,765	-	1.3	37.0	23.8	
27	PACIS INSURANCE COMPANY	2,343	948	983	714	5	125	2,447	0.2	3.8	21.7	22.9	
28	PIONEER GENERAL INSURANCE	376	635	1,663	747	14	-	250	1.4	-	73.9	58.3	
29	RESOLUTION INSURANCE COMPANY	50,241	95,014	1,124	90,059	10,928	-	44,268	7.5	-	62.0	61.1	
30	SAHAM INSURANCE COMPANY	3,844	28,004	52	28,279	1,373	-	2,173	4.3	-	88.9	88.2	
31	SANLAM GENERAL INSURANCE	20,117	25,910	781	26,401	150	115	19,361	0.3	0.2	57.4	47.3	
32	TAKAFUL INSURANCE OF AFRICA	-	5,904	-	180	-	-	12,796	-	-	1.4	N/A	
33	TAUSI ASSURANCE COMPANY	608	446	70	340	-	81	633	-	7.7	32.3	29.6	
34	THE KENYAN ALLIANCE INSURANCE	5,672	17,016	312	11,086	158	-	11,444	0.7	-	48.9	55.9	
35	THE MONARCH INSURANCE COMPANY	8,951	1,321	267	550	204	299	9,219	2.0	2.9	5.4	3.5	
36	TRIDENT INSURANCE COMPANY	44,669	515	42	575	-	-	44,609	-	-	1.3	5.5	
37	UAP INSURANCE COMPANY LIMITED	2,234	1,325	7,654	1,682	6	-	1,871	0.2	-	47.3	26.6	
38	XPLICO INSURANCE COMPANY	2,525	207	-	43	8	-	2,681	0.3	-	1.6	7.0	
	Industry	576,930	1,554,928	37,937	1,492,059	17,958	13,036	615,854	0.8	0.6	69.8	69.9	

Appendix 3: Analysis of long-term insurance business claims (numbers) for the quarter ended 31st March 2020												
No	Name of Insurer	Claims outstanding at the beginning of the quarter	Claims intimated during the quarter	Claims revived during the quarter	Claims paid during the quarter	Claims rejected during the quarter	Claims closed as no claims during the quarter	Claims outstanding at the end of the quarter	Claims rejection ratio (%) (5/(4+5+6+7))	Claims closed as no claims ratio (%) (6/(4+5+6+7))	Claim payment ratio (%)	
											Q1 2020 (4/(4+5+6+7))	Q4 2019 (11)
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
1	ABSA LIFE ASSURANCE	390	951	-	880	-	-	461	-	-	65.6	68.1
2	APA LIFE ASSURANCE COMPANY	373	984	-	878	6	26	447	0.4	1.9	64.7	71.8
3	BRITAM LIFE INSURANCE COMPANY	3,717	19,981	-	19,915	1,040	-	2,743	4.4	-	84.0	81.3
4	CAPEX LIFE ASSURANCE COMPANY	76	617	-	690	-	-	3	-	-	99.6	87.5
5	CIC LIFE ASSURANCE COMPANY	1,771	1,988	-	2,000	18	-	1,741	0.5	-	53.2	50.6
6	CORPORATE INSURANCE COMPANY	375	640	-	624	-	-	487	-	-	56.2	62.5
7	GA LIFE ASSURANCE LIMITED	1	454	-	454	-	-	1	-	-	99.8	99.8
8	GEMINIA INSURANCE COMPANY	808	42	-	401	-	-	449	-	-	47.2	17.7
9	ICEA LION LIFE ASSURANCE	1,713	14,189	-	13,927	1	-	1,974	0.0	-	87.6	89.1
10	JUBILEE INSURANCE COMPANY	1,994	7,838	25	7,663	-	5	2,164	-	0.1	77.9	83.5
11	KENINDIA ASSURANCE COMPANY	406	1,669	-	1,691	-	17	367	-	0.8	81.5	82.0
12	KENYA ORIENT LIFE ASSURANCE	10	32	-	32	1	3	6	2.4	7.1	76.2	54.2
13	KUSCCO MUTUAL ASSURANCE	101	709	-	557	-	-	253	-	-	68.8	N/A
14	LIBERTY LIFE ASSURANCE KENYA	1,761	1,218	-	1,372	8	-	1,599	0.3	-	46.1	71.0
15	MADISON INSURANCE COMPANY	2,103	6,399	-	6,469	-	-	2,033	-	-	76.1	74.8
16	METROPOLITAN CANNON INSURANCE	687	432	-	174	-	-	945	-	-	15.5	39.1
17	OLD MUTUAL ASSURANCE COMPANY	1,333	1,714	-	1,345	-	19	1,683	-	0.6	44.1	59.0
18	PIONEER ASSURANCE COMPANY	5,069	5,737	-	4,289	-	-	6,517	-	-	39.7	49.9
19	PRUDENTIAL LIFE ASSURANCE	773	639	-	781	-	-	631	-	-	55.3	60.2
20	SAHAM INSURANCE COMPANY	27	113	-	113	-	-	26	-	-	81.3	84.2
21	SANLAM LIFE INSURANCE LIMITED	1,356	3,693	-	3,335	27	11	1,676	0.5	0.2	66.1	69.4
22	TAKAFUL INSURANCE OF AFRICA	-	-	-	-	-	-	3	-	-	N/A	N/A
23	THE KENYAN ALLIANCE INSURANCE	72	1,135	1	1,129	1	-	77	0.1	-	93.5	93.7
24	THE MONARCH INSURANCE COMPANY	24	82	-	64	-	-	42	-	-	60.4	79.5
25	UAP LIFE ASSURANCE COMPANY	234	1,632	-	1,563	-	-	303	-	-	83.8	88.3
Industry		24,784	71,937	26	69,466	1,102	81	26,170	1.14	0.1	71.7	74.4